DOCKET SECTION

UNITED STATES OF AMERICA
POSTAL RATE COMMISSIONEIVED
WASHINGTON, D.C. 20268
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Postal Rate and Fee Changes

Docket No. R97-1

PRESIDING OFFICER'S INFORMATION REQUEST NO. 13 (February 12, 1998)

The Alliance of Nonprofit Mailers is requested to provide the information described below to assist in developing a record for the consideration of the proposals presented by witness Haldi in ANM-T-1. In order to facilitate inclusion of the requested material in the evidentiary record, witness Haldi should be prepared to attest to the accuracy of the answers and be prepared to explain to the extent necessary the basis for the answers at our hearings. If possible, the answers are to be provided prior to his appearance on February 19, 1998. If that is not possible, answers are to be provided within 14 days, and a separate appearance will be scheduled.

- 1. At pages 42 and 43 of witness Haldi's testimony, he provides a rationale for shifting 7.85 percent of mail processing tallies from nonprofit mail to commercial mail, adjusting for piggybacks as necessary.
- a. The 7.85 percent estimate does not distinguish between piece volumes for Standard (A) Nonprofit regular and Standard (A) Nonprofit Enhanced Carrier Route subclasses. Does the 7.85 percent estimate apply equally to both subclasses? If not, how should the costs in each subclass be adjusted, and what is the basis and rationale for these different adjustments?
- b. Does the mail processing tally misidentification problem extend to carrier in-office tallies? If so, should carrier in-office costs be adjusted? Please provide a procedure and a rationale for any such adjustments you recommend.

- c. What assumptions does witness Haldi make concerning shape of mail by subclass? Please discuss the reasonableness of those assumptions.
- d. The total volume of bulk mail entered by nonprofit organizations is estimated on page 42 as 13,769 million. Please confirm that it is calculated by starting with the FY 1992 volume of third-class nonprofit mail and assuming a 3.5 percent annual growth factor through FY 1996. The corresponding volume total on page 43 is 13,249 million and apparently reflects the elimination of the 520 million pieces with regular rate evidencing. Please confirm. Please provide a rationale for removing this volume from the total on page 42 before calculating the percentage of volume that paid commercial rates but contained nonprofit markings.

Edward J. Gleiman Presiding Officer

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